

**BILL:** House Bill 1214  
**TITLE:** Procurement - Transparency and Application to County Contracts  
**DATE:** March 3, 2021  
**POSITION:** OPPOSE  
**COMMITTEE:** Health and Government Operations  
**CONTACT:** John R. Woolums, Esq.

The Maryland Association of Boards of Education (MABE) opposes House Bill 1214 in favor of maintaining the current balance of state and local procurement laws governing the procurement policies and procedures of local school systems.

Local boards of education respectfully requests that the significant changes proposed by House Bill 1214 to the scope of state procurement law imposed on local school systems not be adopted. Specifically, MABE opposes the proposal to redefine the term “unit” in State procurement law to include county government entities, thereby disrupting the longstanding framework of state and local procurement laws applicable to local school systems.

MABE is confident that the current state laws and regulations governing local school system procurements are sufficient in scope and clarity to provide the appropriate degree of accountability and flexibility to not only ensure sound procurement practices but also optimize cost savings for taxpayers. Local school systems, and professional procurement staff, rely on a well-established understanding of the existing procurement law under the Education Article, State Finance and Procurement Article, and State regulations.

Generally, all public school contracts in amounts in excess of \$25,000 must be advertised for the bids and the contract awarded to the lowest responsible bidder who conforms to the specifications. In addition, several sections of the State Finance and Procurement Article apply specifically to school facilities projects, including the requirements for minority business participation. These sections are applicable to local boards of education when State Public School Construction Program funding is utilized. Each board must approve and implement a Minority Business Enterprise (MBE) procedure to attempt to achieve the minority business enterprise participation goals established in state law and regulations.

Local bid documents must include prevailing wage rates when state funds are used for the construction, the project construction cost including state and local funding will exceed \$500,000, and the State share will provide 25 percent or more of the construction cost. Contractors for construction contracts exceeding \$50,000 must furnish a performance and payment bond which becomes binding upon award of the contract. The contractor may provide the equivalent in cash or other security satisfactory to the public body awarding the contract. Numerous other provisions of State procurement law apply to local school systems in the context of school construction project procurement and management.

In these ways, school systems are complying with a comprehensive array of procurement requirements through provisions of the Education Article and State Finance and Procurement Article.

For these reasons, MABE requests an unfavorable report on House Bill 1214.